Councils call for Strict Caps on Short Term Letting

Short-term rental accommodation (STRA) in strata properties will continue to be a highly contentious topic in 2023 with even more scrutiny and increasing backlash to the industry because of the current housing crisis.

Since February 2023 there has been a significant rise in complaints about short term letting guests impacting strata blocks due to noisy parties, visitors coming and going, rubbish not being disposed of properly or at all and common property damage, among many other complaints.

Since 2021 the number of New South Wales properties listed as short-term rentals has surged by 42% with over 45,000 listed STRA properties, causing the State's Planning Minister to review proposed annual caps later this year.

Councils Take Action to Regulate STRA

Many local councils are beginning to take action to regulate short-term letting in their areas introducing a raft of regulations for short-term letting with some councils increasing their council rates for property owners who short-term let for more than 60 days.

The Independent Planning Commission in early May 2023 advised that councils 'should' be allowed to impose a 60-day cap on short-term rentals after Byron Shire last year attempted to introduce a 90-day cap.

The NSW government is expecting <u>12 councils</u> to call for strict caps on short-term rentals.

A decision is yet to be made regarding the capping of STRA properties however this trend is expected to continue in 2023,

with more local councils introducing more controls to regulate the STRA letting sector.

STRA By-Law

In NSW, an owners corporation can introduce a by-law that restricts STRA. Many strata building have introduced STRA by-laws that prohibit unlawful STRA and regulate permissible STRA. Anecdotal evidence is that these by-laws have proven effective in reducing problems associated with STRA.

Is it time to review your Short Term Rental Accommodation (STRA) by-laws?

DOES YOUR STRA BY-LAW NEED TO BE REVIEWED? CLICK NOW!



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Since 2002 Adrian has specialised almost exclusively in the area of strata law. His knowledge of, and experience in strata law is second to none. He is the youngest person to have been admitted as a Fellow of the ACSL, the peak body for strata lawyers in Australia. Profile I Linked

Contact Us

For all strata law advice including by-laws, building defects and levy collections contact our specialist NSW and Sydney

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